State of Vermont OFFICIAL AGENCY OF HUMAN SERVICE

DEPARTMENT OF SOCIAL WELFAR
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November 21, 1994

Ronald Preston, Ph.D.
Associate Regional Administrator
Division of Medicaid Room 2350
Health Care Financing Administration
John F. Kennedy Federal Building
Boston, MA 02203

SUBJECT: SMA Regional Bulletin 94-29
Findings and Assurances for the Pricing of Drugs

Dear Dr. Preston,

This letter is in response to Regional Bulletin 94-29 relating to findings and assurances for pricing of prescription drugs under Vermont's Medicaid Program.

The State assures that it has made the findings as specified in 42 CFR 447.333 (b). Based on findings we have made, supported by records and computations available for review, we make assurance that the State is in compliance with the Upper Limit requirements set forth in 42 CFR §447.331 and §447.332.

Sincerely,

Kent Stoneman
Director

KS/ms

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METHODS AND STANDARDS OF ESTABLISHING PAYMENT RATES-OTHER MEDICAL CARE (continued)

12. b. Dentures
Reimbursement is made at the lower of the actual charge or the Medicaid rate on file.

c. Prosthetic Devises
Reimbursement is made at the lower of the actual charge or the Medicaid rate on file.

d. Eyeglasses
Payment is made at the negotiated contract price for lenses and frames. With prior approval, payment may be made to local dispensers at actual costs of lenses and frames.

13. Other Diagnostic, Screening, Preventive and Rehabilitative Services

Reimbursement is made at the lower of the actual charge or the Medicaid rate on file or as specified below:

Substance Abuse Services: payment is made at the lower of the usual and customary rate charged to the general public or the Medicaid rate on file. Assurance is made that no reimbursement is mad for residential (room and board) charges.

Community Mental Health Center Services: payment is made at the lower of the usual and customary rate charged to the general public or the Medicaid rate on file.

Private Non Medical Institutions (PNMI) for Child Care Services: payment is made via capitation rates as described in the PNMI section of the Medicaid Division Practices and Procedures Manual. Assurance is made that no reimbursement is made for residential (room and board) charges.

School Health Services: services provided for the development of an initial IEP/IFSP will not be reimbursed. Reimbursement for services ordered by an IFSP are paid fee-for-service. Services ordered by an IEP are reimbursed via a case rate system, with the exception of the following services that will be paid fee-for-service; assessment and evaluation. medical consultation, durable medical equipment, vision care services and nutrition services.

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TITLE XIX
State: Vermont

Attachment 4.19-B
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METHODS AND STANDARDS OF ESTABLISHING PAYMENT RATES --- OTHER MEDICAL CARE (continued)

13. Other Diagnostic, Screening, Preventive and Rehabilitative Services (continued)

Intensive Family Based Services: Payment is made at per diem rates, paid weekly, which are based on the average costs of services delivered within the program.

Developmental Therapy: Payment is made at the lower of the actual charge or the Medicaid reimbursement rate on file.

Day Health Rehabilitation Services: Payment is made per hourly rates rounded to the nearest quarter hour, paid weekly.

Assistive Community Care Services: Payment is made at a uniform per diem rate, paid monthly. No reimbursement will be made for room and board.

14. Services for Individuals 65 or Older in Institutions for Mental Disease

a. See Inpatient Psychiatric Hospital Services – 4.19-A

b. Skilled nursing facility services – not covered.

c. Intermediate care facility services – see 4.19-C and 4.19-D.

TN# 99-7
Supersedes
TN# 99-2

Effective Date: 7/1/99

Approval Date: 9/21/99

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER MEDICAL CARE (Continued)

15. a. Intermediate Care Facility Services (Nursing Facilities)
See Attachments 4.19-C and 4.19-D.

b. Intermediate Care Facilities for the Mentally Retarded
See Attachment 4.19-D.

16. Inpatient Psychiatric Facility Services for Individuals Under Age 22
See Attachment 4.19-A.

17. Nurse-Midwife Services

Covered nurse-midwife services are reimbursed at the lower of the actual charge or the Medicaid rate on file for a physician providing the same service.

18. Hospice Care

Payment is made in accordance with Medicare Title XVIII principles. During the period of October 21, 1990 through December 31, 1990 payment of 5.2 percent in excess of the Medicare rate will be maintained after which payments will be made in conformity with Medicare principles.

TITLE XIX
State: VERMONT

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Attachment 4.19-B
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METHODS AND STANDARDS OF ESTABLISHING PAYMENT RATES - OTHER MEDICAL CARE (Continued)

Case Management Services

Payment for Targeted Case Management Services provided to a child pursuant to an IFSP is made at a rate established on the basis of periodic time studies furnished by the service provider.*

Payment for Targeted Case management Services provided to a child pursuant to an IEP is included in payment made under the case rate system.*

Payment for Target Case Management services provided by designated Community Mental Health Centers is made at the lower of the usual and customary charge to the general public or the Medicaid rate on file.

Payment for Targeted Case Management services provided by the Department of Social and Rehabilitation Services is developed from direct staff salaries, benefits and operating expenses (including indirect costs) which will be rebased periodically.

Payment for Targeted Case Management services furnished as part of the Healthy Babies Program is made at the lesser of the provider's charge or the Medicaid rate on file.

Payment for Targeted Case Management services provided to At-Risk Children Ages 1 to 5 years is made at the lessor of the provider's charge or the Medicaid Rate on file.

*Per approved state plan amendment 98-6 (School Health Services) effective 2/22/98.

TN# 98-7
Supersedes
TN# 94-26

Effective Date: 4-1-98

Approval Date:

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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES --- OTHER MEDICAL CARE (continued)

20. Extended Services to Pregnant Women
Payment is made at the lower of the usual and customary charge to the general public or the Medicaid rate on file for the particular service.

21. Ambulatory Prenatal Care For Pregnant Women During a Presumptive Eligibility Period

Not provided.

22. Respiratory Care
Payment is made at the lower of the actual charge or the Medicaid rate on file.

23. Certified Pediatric and Family Nurse Practitioners
Covered pediatric or family nurse practitioner services are reimbursed at the lower of the actual charge or the Medicaid rate on file for a physician providing the same service.

24. Any Other Medical Care And Any Other Type Of Remedial Care Recognized Under State Law, Specified By The Secretary

a. Transportation

Ambulance: Payment for ambulance services is made at the lower of the actual charge or the Medicaid rate on file.

Mental Health Center: Payment for transportation services to and from a mental health agency is made at the lower of the actual charge or the Medicaid rate on file.

Medical Services: Payment for transportation other than that covered in the Ambulance and Mental Health Center paragraphs above is made at negotiated rates under the terms of a provider agreement.

School Health Services Providers: Payment is made at the lower of the actual charge or the Medicaid rate on file.

Approval Date JUL 16 1993

Effective Date: MAR 25 1993

METHODS AND STANDARDS OF ESTABLISHING PAYMENT RATES --- OTHER MEDICAL CARE (Continued)

24. (Continued)

b. Christian Science Nurses: not available in Vermont.

c. Christian Science Sanatoria: not available in Vermont.

d. Skilled Nursing Facility for Persons Under 21
Payment for skilled nursing facility services for persons under age 21 is made as outlined in Attachment 4.19-B, item 4.a.

e. Emergency Hospital Services (In Hospitals Not Participating in Title XVIII)

The Department will apply the same standards, cost reporting period, cost reimbursement principles and methods of cost apportionment as currently used in computing reimbursement for emergency hospital services in non-participating hospitals under Title XVIII of the Social Security Act.

f. Personal Services: Payment is made at the lower of the actual charge or the Medicaid rate on file.

g. Services to Aliens: The method and standard employed is that each type of service as contained in Section 4.19-B of the Vermont State Plan.

Maximum Medicaid Payment Rates for
Listed Obstetrical Practitioner Services

The following obstetrical practitioner payment rates are uniform for all geographic areas of the state.

Procedure Code	Procedure Description	Maximum Payment/Average
	MATERNITY CARE AND DELIVERY	
	INCISION	
59000	Amniocentesis, any method	$27.00/07.27
59012	Cordocentesis, any method	$27.00/22.00
59015	Chorionic villus sampling	$81.10/00.00
59020	Fetal contraction stress test	$13.20/12.92
59025	Fetal non-stress test	$12.00/ 8.64
59030	Fetal scalp blood sampling	$27.00/21.60
59050	Initiation and/or supervision of internal fetal monitoring during labor by consultant with report (separate procedure)	$65.80/00.00
59051	interpretation only	$00.00/00.00
59100	Hysterotomy, abdominal	$464.90/00.00
	EXCISION	
59120	Surgical treatment of ectopic pregnancy requiring salpingectomy and/or oophorectomy	$464.90/377.73
59121	without salpingectomy or oophorectomy	$464.90/290.56
59130	abdominal pregnancy	$464.90/00.00
59135	interstitial, uterine pregnancy requiring total hysterectomy	$581.70/00.00
59136	interstitial, uterine pregnancy with partial resection of uterus	$00.00/00.00
59140	cervical, with evacuation	$464.90/00.00
59150	Laparoscopic treatment of ectopic pregnancy; without salpingectomy and/or oophorectomy	$297.60/214.11
59151	with salpingectomy and/or oophorectomy	$392.30/000.00
59160	Curettage, postpartum	$138.90/113.00

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Maximum Medicaid Payment Rates for
Listed Obstetrical Practitioner Services

Procedure Code	Procedure Description	Maximum Payment/Average
	INTRODUCTION	
59200	Insertion of cervical dilator	$110.70/90.00
	REPAIR	
59300	Episiotomy or vaginal repair by other than attending physician	$70.10/70.10
59320	Cerclage of cervix, during pregnancy vaginal	$97.20/97.20
59325	abdominal	$00.00/00.00
59350	Hysterorrhaphy of ruptures uterus	$405.90/00.00
	DELIVERY, ANTEPARTUM AND POSTPARTUM CARE	
59400	Total obstetric care (all-inclusive, "global care") includes antepartum care, vaginal delivery (with or without episiotomy, and/or forceps or breech delivery) and postpartum care	$1162.30/1043.97
59409	Vaginal delivery only (with or without episiotomy, forceps or breech delivery	$00.00/00.00
59410	including postpartum care	$846.20/786.50
59412	External cephalic version, with or without tocolysis	Man.Prc./26.25
59414	Delivery of placenta	$67.60/67.60
59420	Antepartum care	$30.70/28.06
59425	Antepartum care only;4-6 visits	$00.00/00.00
59426	7 or more visits	$00.00/00.00
59430	Postpartum care only (separate procedure)	$30.70/26.61
	CESAREAN DELIVERY	
59510	Routine obstetric care including antepartum care, cesarean delivery, and postpartum care ("global care")	$1162.30/1029.31
59514	Cesarean delivery only,	$00.00/00.00
59515	including postpartum care	$846.20/408.89
59525	Hysterectomy after cesarean	$324.70/162.35

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Maximum Medicaid Payment Rates for Listed Obstetrical Practitioner Services

Procedure Code	Procedure Description	Maximum Payment/Average
	ABORTION	
59812	Treatment of spontaneous abortion, any trimester, completed surgically	$142.60/82.55
59820	Treatment of missed abortion, first trimester, completed surgically	$150.00/125.28
59821	second trimester	$153.70/153.70
59830	Treatment of septic abortion, completed surgically	$166.00/135.00
59840	Induced abortion, by dilation and curettage	$199.20/146.38
59841	Induced abortion, by dilation and evacuation	$199.20/162.00
59850	Induced abortion, by intraamniotic injection(s)	$236.10/00.00
59851	with dilation and curettage and/ or evacuation	$332.10/00.00
59852	with hysterotomy	$398.50/00.00
59855	Induced abortion	$226.80/368.75
59856	with dilation & curettage	$00.00/00.00
59857	with hysterotomy	$00.00/00.00
	OTHER PROCEDURES	
59870	Uterine evacuation and curettage for hydatidiform mole	$135.00/45.00
59899	Unlisted procedure, maternity care and delivery	Man. Prc./00.00